

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 01-0231P

**Individual Income Tax
For the Calendar Year 2000**

NOTICE: Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning a specific issue.

ISSUE(S)

I. Tax Administration – Penalty

Authority: IC 6-8.1-10-2.1(d); IC 6-8.10-5; 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer, in a letter dated August 30, 2001, protested the penalty assessed. Taxpayer states he made an error on the amount he thought he had paid in estimated income tax throughout the year and his tax preparer also made a math error in computing his tax liability. The amount owed is a large financial burden and consideration for the penalty waiver is appreciated.

I. Tax Administration – Penalty

DISCUSSION

Taxpayer requests the penalty be abated because the addition of estimated tax and the penalty is an extremely large burden.

Both the taxpayer and his tax preparer made mistakes in computing the tax liability which is clearly negligent.

Taxpayer has not shown reasonable cause to allow a waiver of the penalty assessed.

FINDING

Taxpayer's protest is denied.